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Subject: Recent inquiries regarding Heating oil and Renewable Fuel use as Heating Oil

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Due to a number of recent inquiries regarding RIN generation for heating oil and renewable fuel use in heating oil, we are sending this EnviroFlash to all subscribers to communicate the requirements in EPA's Part 80 fuels regulations.

Parties may not blend fuel oils that only meet the definition of fuel oil grade #s 4, 5 or 6 to qualify as heating oil #1 or #2 and generate RINs. Additionally, RINs generated for renewable fuel (other than biodiesel) used as heating oil must be retired if it only meets the definition of fuel oil grade #s 4, 5 or 6.

Heating oil is defined in 40 CFR Section 80.2(ccc) to mean any #1, #2, or non-petroleum diesel blend that is sold for use in furnaces, boilers, and similar applications and which is commonly or commercially known or sold as heating oil, fuel oil, and similar trade names, and that is not jet fuel, kerosene, or MVNRLM diesel fuel.

Per the regulatory definition, fuel oils grade #s 4, 5 or 6 do not qualify on their own as heating oil, nor does blending these non-qualifying grade fuel oils to produce a #1 or #2 heating oil satisfy the definition. Therefore, producers of fuel oils grade #s 4, 5 or 6 cannot generate RINs for heating oil. Additionally, any RINs generated for a renewable fuel (other than biodiesel) used as heating oil that only meets the definition of fuel oil grade #s 4, 5 or 6 must be retired.